

FINDINGS

Density Bonus / Affordable Housing Incentives Findings

1. Pursuant to Section 12.22 A.25(g)(2)(i)(c) of the LAMC and Section 65915(e) of the California Government Code, the Director of Planning shall approve a density bonus and requested incentive(s) and/or Waiver(s) unless the Director of Planning finds that¹:
 - a. *The Incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.*

The record does not contain substantial evidence that would allow the Director to make a finding that the requested incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for very low, low, and moderate income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

In exchange for reserving at least 15 percent of the base density for Very Low Income households, the applicant is entitled to three Incentives under both Government Code Section 65915 and the LAMC. The project proposes to reserve at least 15 percent of the base density of 38 units for Very Low Income households; accordingly, the project is entitled to the three requested On- and Off-menu Incentives. These requested Incentives provide cost reductions that provide for affordable housing costs because the incentives by their nature increase the scale of the project, which facilitates the creation of more affordable housing units.

Rear Yard Setback

The subject property is zoned C4-2D, which prescribes rear yard setbacks (corresponding to those requirements of the R4 Zone for residential uses at the lowest residential story) of 15 feet plus one additional feet for each story beyond the third level, not to exceed a maximum of 20 feet. With 15 stories proposed in this zone, the project would be required to provide the maximum rear yard setback of 20 feet; the applicant is proposing to provide a rear yard setback of 18 feet five inches in lieu of this requirement. This reduction enables the project to expand the building envelope and provide additional floor space and residential units, thus enabling the provision of more dwelling units. The larger building footprint facilitates the creation of more residential units of all types, including market-rate units which enable the applicant to subsidize and reserve more residential units for lower income levels. Therefore, the incentive supports the applicant's decision to set aside six dwelling units for Very Low Income households as proposed. The requested Incentive provides actual and identifiable cost reductions that provide for affordable housing costs because the incentive by nature increases the building envelope of the project so that additional residential units can be provided, resulting in additional affordable housing units.

Open Space

¹ Pursuant to LAMC Section 12.22 A.25(g)(3), the City Planning Commission is considered the decision-maker for Off-menu density bonus requests. The findings referenced in LAMC Section 12.22 A.25(g)(2)(i)(c) apply to Off-menu requests.

Based on the number and typology of residential units proposed, the project would be required to provide 7,785 square feet of open space. The project proposes to provide approximately 6,456 square feet of open space that can be counted towards zoning requirements, and accordingly is requesting an On-menu Incentive for a 20 percent decrease in the required amount of open space. This reduction enables the project to expand the building envelope by utilizing more space for building floor area and provide additional floor space and residential units, thus enabling the provision of more dwelling units. The larger building footprint facilitates the creation of more residential units of all types, including market-rate units which enable the applicant to subsidize and reserve more residential units for lower income levels. Therefore, the incentive supports the applicant's decision to set aside six dwelling units for Very Low Income households as proposed. The requested Incentive provides actual and identifiable cost reductions that provide for affordable housing costs because the incentive by nature increases the building envelope of the project so that additional residential units can be provided, resulting in additional affordable housing units.

Floor Area Ratio

The subject property is zoned C4-2D, with "D" Development Limitations limiting building FAR to 3:1. The project is seeking an increase in FAR to 4.5:1 as an Off-menu Incentive. The project proposes a total of approximately 67,600 square feet of building area, equal to a FAR of 4.5:1. This increase permits the project to expand the building envelope and provide additional building floor area, which enables the provision of additional living space and residential units and enables the applicant to reserve more residential units for lower income levels. Therefore, the incentive supports the applicant's decision to set aside six dwelling units for Very Low Income households. The requested Incentive provides actual and identifiable cost reductions that provide for affordable housing costs because the incentive by nature increases the building envelope of the project so that additional residential units can be provided.

- b. ***The Incentives and/or Waivers will have a Specific Adverse Impact upon public health and safety or the physical environment or any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the Specific Adverse Impact without rendering the development unaffordable to Very Low, Low and Moderate Income households. Inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific adverse impact upon the public health or safety (Government Code Section 65915(d)(1)(B) and 65589.5(d)).***

There is no substantial evidence in the record that the proposed Incentives will have a specific adverse impact upon public health and safety or the physical environment, or any real property that is listed in the California Register of Historical Resources. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22 A.25(b)). Although the existing commercial automobile service building is a recognized historic resource, the project has been carefully designed to incorporate the existing building and to retain sufficient character-defining features and integrity such that impacts to historic resources would be less than significant. In addition, potential environmental impacts, including impacts to historic resources, have been fully analyzed in the SCEA prepared for the project, which concludes the same. The property is not located on a substandard street in a Hillside area and is not located in a Liquefaction Zone, a Special Grading Area, a Very High Fire Hazard Severity Zone, a Methane Zone, or any

other special hazard area. Therefore, there is no substantial evidence that the proposed project, and thus the requested Incentives, will have a specific adverse impact on the physical environment, on public health and safety or the physical environment, or on any Historical Resource. Based on the above, there is no basis to deny the requested Incentives.

- c. The waiver[s] or reduction[s] of development standards relate to development standards that will not have the effect of physically precluding the construction of a development meeting the [affordable set-aside percentage] criteria of subdivision (b) at the densities or with the concessions or incentives permitted under [State Density Bonus Law]” (Government Code Section 65915(e)(1).**

A project that meets the requirements of Government Code 65915 may request other “waiver[s] or reduction[s] of development standards that will have the effect of physically precluding the construction of a development meeting the [affordable set-aside percentage] criteria of subdivision (b) at the densities or with the concessions or incentives permitted under [State Density Bonus Law]” (Government Code Section 65915(e)(1)).

Side Yard Setbacks

Due to the irregular lot shape, the subject property has three side yards, including an interior northerly side yard, an easterly side yard, and a westerly side yard. The project includes requested Waivers to permit reduced setbacks for all three side yards. These requests enable the expansion of the building footprint and envelope which directly results in the provision of residential units, including the proposed restricted affordable units. In addition, due to the irregular shape of the subject property and the narrow street frontage, requiring full-width side yard setbacks would result in an impractically narrow and irregular building footprint, thereby precluding development of the proposed project.

Drive Aisle Width and Column Clearance

The project proposes to provide a drive aisle width of 23 feet five inches in lieu of the required 27 feet four inches, as well as to waive the requirement for a 10-inch column clearance for a reduced drive aisle width. Due to the irregular shape of the subject property and the narrow street frontage, requiring a full-width drive aisle width and column clearance along with all other engineering and architectural requirements would be infeasible within the subject property and would physically preclude the provision of the proposed 45 units, including six restricted affordable units. In addition, the project involves the partial maintenance of an existing historic commercial automotive service building along the street frontage, specifically proposing to utilize an existing automobile bay for vehicle ingress and egress and maintaining various existing structural columns and trusses; as the project, the project also cannot meet the required drive aisle width and column clearance because doing so would preclude the preservation of an existing historic resource, a core element of the proposed project. The requested waiver enables the development of the proposed project, including the proposed restricted affordable units, along with vehicle ingress and egress.

Therefore, the requested Waivers of Development Standards relate to development standards that would physically preclude a project otherwise meeting the requirements of State Density Bonus law.

- d. The Incentives and/or Waivers are contrary to State/federal law.**

There is no substantial evidence in the record indicating that the requested Incentives and Waivers are contrary to any State or federal laws.

Environmental Findings

- 2. SCEA.** The City of Los Angeles finds that the Proposed Project complies with the requirements of CEQA for using an SCEA as authorized pursuant to Public Resources Code Section 21155.2(b). The City of Los Angeles has determined that:

The Project is a Transit Priority Project (TPP) pursuant to PRC Section 21155:

- a. The Project is consistent with the general use designation, density, building intensity, and applicable policies specified in the project area in the current SCAG RTP/SCS.
- b. The Project contains at least 50 percent residential use, based on total building square footage, and if the project contains between 26 percent and 50 percent non-residential uses, a floor area ratio of not less than 0.75;
- c. The Project provides a minimum net density of at least 20 dwelling units per acre;
- d. The Project is within one-half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan, consistent with PRC Section 21155(b). A major transit stop means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. A high-quality transit corridor means a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours.

The Transit Priority Project has incorporated all feasible mitigation measures, performance standards, or criteria set forth in the following prior applicable EIRs: SCAG's 2020-2045 RTP/SCS EIR.

An initial study has been prepared and circulated in compliance with PRC Section 21155.2(b). A public hearing on the SCEA, and all comments received on the SCEA, will be considered by the City Planning Commission prior to SCEA adoption and approval of the Project.

All potentially significant or significant effects required to be identified in the initial study have been identified and analyzed.

With respect to each significant effect on the environment required to be identified in the initial study, either of the following apply:

- i. Changes or alterations have been required in or incorporated into the project that avoid or mitigate the significant effects to a level of insignificance.
 - ii. Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
- 3. Flood Insurance.** The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located outside of a flood zone.